

This record is a partial extract of the original cable. The full text of the original cable is not available.

S E C R E T SECTION 01 OF 03 MANILA 005126

SIPDIS

STATE FOR PM, S/CT, INR/EAP, EAP, EAP/RSP, AND EAP/MTS
NSC FOR GREEN
SECDEF/OSD/ISA/AP FOR ALLEN

E.O. 12958: DECL: 11/03/2015

TAGS: [PTER](#) [PREL](#) [ASEC](#) [PINS](#) [MOPS](#) [RP](#)

SUBJECT: S/CT AMBASSADOR CRUMPTON'S TALKS WITH GRP OFFICIALS

REF: A. MANILA 5004

1B. MANILA 5018

Classified By: (U) Charge d'Affaires, a.i., Paul Jones
for reasons 1.4(b) and (d).

11. (S/REL AUSTRALIA) SUMMARY. Philippine Foreign Secretary Romulo and Executive Secretary Ermita told visiting S/CT Ambassador Crumpton they are optimistic about peace talks with the Moro Islamic Liberation Front (MILF), believing MILF Chairman Murad has the ability to sell an agreement to his rank and file. However, despite the MILF leadership's apparent commitment to fight terrorism, elements of the MILF continue to provide sanctuary to Jemaah Islamiyah (JI) and Abu Sayyaf Group (ASG) terrorists. Philippine analysts believe the JI in the Philippines has split into two coordinated, but separate factions. The bomb-making training provided by the faction associated with Dulmatin and Patek has given the ASG significance beyond its limited numbers, and there are worrying signs of efforts to construct vehicle borne explosive devices and interest in chemical-biological weapons. The radical Rajah Solaiman Movement (RSM) is a concern, as well as Saudi-origin terrorist financing. Armed Forces of the Philippines (AFP) Vice Chief of Staff Vice Admiral De Los Reyes sees the Balikatan 02-1 "Basilan model" of civil-military operations and improved counterterrorism training as a template for other counterterrorism efforts. Executive Secretary Ermita praised the USG rewards program as an effective tool in efforts to track down terrorists. END SUMMARY.

12. (C/REL AUSTRALIA) In a series of October 21 meetings, Counterterrorism Coordinator Ambassador Henry Crumpton, accompanied by Charge Jones, met all major figures in the GRP's counterterrorism community. Meetings included discussions with Executive Secretary Eduardo Ermita, Secretary of Foreign Affairs Alberto Romulo, Armed Forces of

SIPDIS

the Philippines (AFP) Vice Chief of Staff Vice Admiral Ariston De Los Reyes, Philippine National Police (PNP) Deputy Chief for Operations Avelino Razon, and officials at the National Intelligence Coordinating Agency (NICA) and the Department of Interior and Local Government (DILG). (See reftels for reporting on Charge Jones' and Ambassador Crumpton's meetings with President Arroyo and Secretary of National Defense Cruz.)

PROGRESS IN MILF TALKS

13. (C/REL AUSTRALIA) Secretary of Foreign Affairs Romulo told Charge Jones and Ambassador Crumpton that MILF and GRP negotiators were "almost there" on the issue of ancestral domain, and forging ahead on other issues, with the mutual sense that self-government was the key to a solution. Romulo signaled out Malaysia, but also Indonesia and Brunei, for their positive roles in supporting the peace process. He said he believed the question of governance could be addressed as part of federalism in the charter change process, and Chairman Al Hadj Murad had the ability to sell a peace agreement to the MILF rank and file.

14. (S/REL AUSTRALIA) Executive Secretary Ermita separately praised the MILF leadership for being "reasonable." During the last six to eight months, the MILF as a whole had been "very cooperative" against JI and ASG operatives, manifesting a commitment to combat terrorism. Nonetheless, MILF elements, particularly those associated with the Special Operations Group (SOG), continued to provide sanctuary to terrorists.

15. (S/REL AUSTRALIA) Ermita observed the designation of the Communist Party of the Philippines/New People's Army (CPP/NPA) as a terrorist organization had had a strategic impact, cutting off the CPP/NPA's ties to foreign funds. Although not yet ready to designate the MILF as a terrorist organization because of the peace talks, Ermita said he was using the threat of designation as "a sword of Damocles" to encourage the MILF to negotiate. He claimed the MILF leadership was "scared stiff" of the prospect of being

designated as terrorists.

INTELLIGENCE COMMUNITY:
PHILIPPINES FACES MULTIPLE TERRORIST THREATS

16. (C/REL AUSTRALIA) An overview briefing at NICA highlighted the multiple threats confronting the GRP. Uncertain economic conditions had led to growth in the CPP/NPA insurgency. Although the number of ASG terrorists had declined, JI influence and training had given the ASG significance beyond its limited numbers.

17. (S/REL AUSTRALIA) According to NICA analysts, the JI organization in the Philippines has split into two separate, but coordinated, factions: one, the Philippine-based JI unit Wakallah Hudeiba or WAHUD, and another, smaller spin-off grouped around Dulmatin and Patek. This second faction had provided short courses on improvised explosive devices (IEDs) to the ASG, RSM, and elements of the MILF's SOG, indicating these groups were now collaborating.

18. (S/REL AUSTRALIA) The February 2004 Superferry 14 bombing and the February 2005 "Valentine's Day" bombings in Mindanao and Manila indicated terrorist bomb-making skills were becoming more sophisticated, employing cellphone detonators, a JI signature. The discovery of 600 kilograms of explosive materials in Manila shortly after the "Valentine's Day" bombings indicated terrorist interest in constructing a vehicle borne IED using methodology similar to the 2002 Bali bombing. A clear terrorist interest in chemical-biological weapons, revealed by the discovery of "cookbooks" during an October 2003 raid on a Cotabato safehouse used by Taufiq Rifqe, and a growing predisposition towards jihadist language and martyrdom were additional worrying signs. Given this evidence, NICA analysts expressed strong skepticism about the claim of some observers that the JI had shifted its approach from Jihad to Islamization.

19. (S/REL AUSTRALIA) In a separate discussion of the JI terrorist threat, PNP Deputy Director General (three-star equivalent) Razon noted cultural, linguistic, and racial similarities allowed JI terrorists from Indonesia to slip easily into the Philippines through its porous back door and blend in with the local population in Mindanao. (Note. Chief Superintendent Ismael Rafanan, Director of the PNP's Intelligence Group, observed JI operatives, in order to counter successful GRP efforts to monitor their cell phones, had begun using couriers in some areas. End Note.) According to Razon, President Arroyo is focused on this threat, and had directed an increased PNP presence in southern Filipino ports to screen arriving passengers. He noted GRP officials had better contacts in Malaysia than in Indonesia, where "the set up was different." Razon said his goal was to improve ties with his Indonesian counterparts.

10. (S/REL AUSTRALIA) Vice Admiral De Los Reyes, the AFP Vice Chief of Staff, stated the growth of the RSM, composed of radicalized Christian converts to Islam, was one of the AFP's greatest concerns. The ability of RSM adherents to "blend in" made them much more dangerous than their Muslim counterparts. RSM members perpetrated the 2004 Superferry 14 attack and were involved in the 2005 "Valentine's Day" bombings. Separately Malacanang Undersecretary Ric Blancaflor noted the RSM numbered roughly 300 radicals, i.e., approximately one percent of the broader Balik Islam movement, which did not espouse terrorism. Echoing De Los Reyes' concerns, Blancaflor observed that RSM members were literate and urban, operating in financially independent and self-sustaining cells, with some operatives having training in JI camps in Mindanao.

11. (S/REL AUSTRALIA) Philippine officials noted their continuing concern about Saudi-origin terrorist financing coming into the Philippines under the cover of donations to mosques, orphanages, and madrassahs. Although three Saudi nationals suspected of being couriers had been detained on separate occasions, Saudi Ambassador Wali had intervened in each case to secure their release. PNP Chief Superintendent Rafanan admitted the GRP had limited understanding of the scope and nature of the terrorism financing problem in the Philippines, conceding it was a "work in progress."

SUCCESS OF THE "BASILAN MODEL"
AND INCORPORATING LESSONS LEARNED

12. (C/REL AUSTRALIA) AFP Vice Chief of Staff De Los Reyes noted the success of the "Basilan model" in the Philippines, i.e., the combined use of civil-military operations and improved counterterrorism training to take back the former ASG stronghold of Basilan during exercise Balikatan 02-1. Socio-economic conditions continue to improve on the island, proving the importance of humanitarian affairs/civil affairs in the fight against terrorism. US support had helped a lot in this, and other counterterrorism efforts, De Los Reyes

said. Ambassador Crumpton agreed Basilan represented the template -- socio-economic and tactical -- of a successful counterterrorism operation.

113. (S/REL AUSTRALIA) The AFP Deputy Chief of Staff for Intelligence (J2), Rear Admiral Danga, observed that the difficult terrain in central Mindanao, coupled with the sanctuary provided by some MILF commanders, continued to hamper operations against ASG and JI operatives. However, the AFP was incorporating the lessons learned from its past operations, and hoped to employ US-supplied proximity fuses to good effect once intelligence identified an appropriate target.

COUNTING THE VOTES FOR ANTI-TERRORISM LEGISLATION

114. (C/REL AUSTRALIA) Undersecretary Blancaflor, who is shepherding the Arroyo Administration's efforts to pass a comprehensive anti-terrorism bill, was cautiously optimistic about its chances of passing. Although he expected Opposition Senators to grandstand, 16 out of 23 Senators had signed the committee report endorsing the draft legislation, and Senate President Drilon supported its passage. In the 236-member House, Blancaflor predicted nine CPP/NPA party list members, 30 Opposition Congressman, and 12 Muslim Congressman would oppose the bill. Another 50-60 pro-Administration lawmakers for various reasons likewise opposed its passage; however, Blancaflor predicted these Congressmen would fall into line once pushed by Speaker De Venecia.

PRAISE FOR USG REWARDS PROGRAM

115. (S/REL AUSTRALIA) Executive Secretary Ermita praised the USG rewards programs, saying "Jesse James posters work." He cited the example of ASG leader Hamsiraji Sali, whose first cousin had led Scout Rangers to his hideout. The publication of the \$10 million reward for the JI terrorist Dulmatin had generated a lot of publicity and stimulated efforts to track him down, Ermita said, calling the USG rewards effort "quite effective."

Visit Embassy Manila's Classified website:
<http://www.state.sgov.gov/p/eap/manila/index.cfm>
Jones